

2SSB 6575 - H AMD 1488

By Representative Conway

ADOPTED AND ENGROSSED 3/5/10

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 18.27.340 and 1997 c 314 s 17 are each amended to read as follows:

(1) Except as otherwise provided in subsection (3) of this section, a contractor found to have committed an infraction under RCW 18.27.200 shall be assessed a monetary penalty of not less than two hundred dollars and not more than five thousand dollars.

(2) The director may waive collection in favor of payment of restitution to a consumer complainant.

(3) A contractor found to have committed an infraction under RCW 18.27.200 for failure to register shall be assessed a fine of not less than one thousand dollars, nor more than five thousand dollars. For a first offense, the director may reduce the penalty for failure to register, but in no case below five hundred dollars, if the person: Becomes registered within ten days of receiving a notice of infraction ((and the notice of infraction is for a first offense)); and registers for a department-approved contractor training class under section 2 of this act within ten days of receiving a notice of infraction, completes the class within one hundred twenty days of receiving the notice of infraction, and pays any required class fees upon class registration.

(4) Until July 1, 2011, monetary penalties collected under this chapter shall be deposited in the general fund. Beginning July 1, 2011, monetary penalties and class fees collected under this chapter shall be deposited in the contractor registration account created in section 4 of this act.

NEW SECTION. Sec. 2. A new section is added to chapter 18.27 RCW to read as follows:

The department will approve or conduct contractor training classes

1 and charge a fee, payable upon class registration, that covers the
2 costs of administering the class. The department may adopt rules
3 relating to the number of classes to be offered by the department, the
4 locations of these classes, class fees, and curriculum. In determining
5 the locations of these classes, the department may consider offering
6 online classes and ensure that classes are reasonably accessible in
7 eastern and western Washington. The department shall deposit all fees
8 in the contractor registration account created in section 4 of this
9 act.

10 **Sec. 3.** RCW 18.27.070 and 1997 c 314 s 7 are each amended to read
11 as follows:

12 (1) The department shall charge fees for issuance, renewal, and
13 reinstatement of certificates of registration; and changes of name,
14 address, or business structure. The department shall set the fees by
15 rule.

16 (2) The entire amount of the fees are to be used solely to cover
17 the full cost of issuing certificates, filing papers and notices, and
18 administering and enforcing this chapter. The costs shall include
19 reproduction, travel, per diem, and administrative and legal support
20 costs.

21 (3) The department shall deposit all fees in the contractor
22 registration account created in section 4 of this act.

23 NEW SECTION. **Sec. 4.** A new section is added to chapter 18.27 RCW
24 to read as follows:

25 The contractor registration account is created in the state
26 treasury. The department shall deposit in the account all moneys from
27 registrations, renewals, or civil penalties assessed and collected
28 under this chapter. Appropriations from the account may be made only
29 for the purposes of administration and enforcement of this chapter,
30 including conducting contractor training classes under section 2 of
31 this act.

32 **Sec. 5.** RCW 60.28.040 and 2009 c 432 s 7 and 2009 c 219 s 7 are
33 each reenacted and amended to read as follows:

34 (1) Subject to subsection (5) of this section, the amount of all
35 taxes, increases, and penalties due or to become due under Title 82

1 RCW, from a contractor or the contractor's successors or assignees with
2 respect to a public improvement contract wherein the contract price is
3 thirty-five thousand dollars or more, shall be a lien prior to all
4 other liens upon the amount of the retained percentage withheld by the
5 disbursing officer under such contract.

6 (2) Subject to subsection (5) of this section, after payment of all
7 taxes, increases, and penalties due or to become due under Title 82
8 RCW, from a contractor or the contractor's successors or assignees with
9 respect to a public improvement contract wherein the contract price is
10 ((~~twenty~~)) thirty-five thousand dollars or more, the amount of all
11 other taxes, increases, and penalties under Title 82 RCW, due and owing
12 from the contractor, shall be a lien prior to all other liens upon the
13 amount of the retained percentage withheld by the disbursing officer
14 under such contract.

15 (3) Subject to subsection (5) of this section, after payment of all
16 taxes, increases, and penalties due or to become due under Title 82
17 RCW, the amount of all taxes, increases, and penalties due or to become
18 due under Titles 50 and 51 RCW from the contractor or the contractor's
19 successors or assignees with respect to a public improvement contract
20 wherein the contract price is ((~~twenty~~)) thirty-five thousand dollars
21 or more, shall be a lien prior to all other liens upon the amount of
22 the retained percentage withheld by the disbursing officer under such
23 contract.

24 (4) Subject to subsection (5) of this section, the amount of all
25 other taxes, increases, and penalties due and owing from the contractor
26 shall be a lien upon the balance of such retained percentage remaining
27 in the possession of the disbursing officer after all other statutory
28 lien claims have been paid.

29 (5) The employees of a contractor or the contractor's successors or
30 assignees who have not been paid the prevailing wage under such a
31 public improvement contract shall have a first priority lien against
32 the bond or retainage prior to all other liens.

33 NEW SECTION. **Sec. 6.** Sections 3 and 4 of this act take effect
34 July 1, 2011."

35 Correct the title.

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